THE SECOND DAY.

Tuesday, the 28th February 1928.

The Assembly met again at 11·30 A. M. on Tuesday the 28th February 1928, and the consideration of the subjects, according to the list distributed among the members on the previous day, was taken up.

1. Removal of the export duty on tea.

MR. ALBERT J. WRIGHT (*Member, Kannan Devan Planters' Association*) stated that the levy of the export duty on tea was a war measure introduced in 1916 in which the Travancore Government had followed the example of the British Indian Government. The British Indian Government had in their last Budget abolished the duty, but the duty was still retained in Travancore. The retention of the duty by the Travancore Government placed the Travancore cultivators at a disadvantage in comparison with the cultivators in British India and Ceylon. The levy of the duty at a fixed rate of Re. 1 as 8 per 100 lbs. was also liable to bear unevenly on the producers, as no account was taken of the value of the commodity which differed considerably in different localities and under different climatic conditions. Further, the duty bore hard upon young plantations, where in the early stages of production little or no profit could be expected. The imposition of the duty was thus likely to hamper the development of the tea industry in more ways than one. Indications were already discernible of tea planters turning their attention from Travancore. The member therefore urged for an early abolition of the duty.

DEWAN'S REPLY: Mr. Wright, if I remember correctly the General Manager of the Kannan Devan Hills Produce Company representing the tea industry in Travancore said that he would be in a position to inform Government of what is happening elsewhere in the matter of taxation on tea after he went to Calcutta and met the authorities there. I have not heard anything further from him on the subject. As soon as I hear from him, I shall take up the question for consideration.

You dwelt upon the fact that this export duty might act detrimentally to Travancore tea in the competitive market. I should very much have liked to hear from you the cost of production per pound in Travancore. That I think should be the determining factor as to whether Travancore can hold its own or not in the competitive market. As far as I can make out—I watch the weekly tea sales in London-Travancore tea is well able to hold its own. There are of course grades of tea and prices vary. But I am inclined to think that the cost of production also varies. When you go back I shall be glad if you, as representing the Travancore tea industry here, would put me in possession of figures as to the cost of production per pound.

2. Abolition of tolls, market dues, etc.

MR. C. T. GEEVARGHESE MUTALALI (*Member, Kunnatur taluk*) said that the question of tolls had attracted considerable attention both on the floor of the Legislative Council and in the Press. A resolution had been passed in the Council for the abolition of tolls ; but several toll-gates were still retained by Government. No small injury was caused to the public by these toll-gates. In the first place, while the income from tolls was used for the maintenance of the roads all over the country, the burden of their payment fell entirely on the shoulders of the people in the particular localities where they were collected. This could be illustrated by an example. There was a toll-gate at Adur. The income from that toll-gate was probably used for improving a road in far-off Changanachery. The people of Changanachery who enjoyed the benefit of the road had, however, no toll to pay. It was the poor cart-men of Adur who paid it.

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